No Objection to Declassification in Part 2009/11/24: LOC-HAK-279-3-7-2

MEMORANDUM

THE WHITE HOUSE

WASHINGTON

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January 26, 1972

MEMORANDUM FOR THE PRESIDENT'S FILE

FROM:

BRIG. GENERAL ALEXANDER HAIG

SUBJECT:

ON-FILE NSC RELEASE INSTRUCTIONS APPLY

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Meeting Between the President and Prime Minister Barend Willem Biesheuvel of the Netherlands on January 26, 1972 at 11:00 a.m.

PARTICIPANTS:

MORI/CDF C03318508 pages 6-12

The President

Prime Minister Barend Willem Biesheuvel of the Netherlands

Baron Rijnhard B. Van Lynden, Netherlands Ambassador

William Middendorf, U.S. Ambassador to

the Netherlands

Brigadier General Alexander M. Haig, Jr., Deputy Assistant to the President for

National Security Affairs

State Dept. review completed pages 6-12

Following press photographs, President Nixon expressed his pleasure at having an opportunity to meet with the Prime Minister before his visits to Peking and Moscow.

The Prime Minister expressed his gratitude at the opportunity to visit the President. The visit had developed somewhat incidentally, he said, as a result of his visit to the Antilles.

President Nixon remarked that he hoped that the Dutch would move with great care and deliberateness with respect to the problem of the Antilles and Surinam, since it has been his experience that precipitate exodus from former colonial areas only contributes to instability. The peoples involved must have an opportunity to develop their own self-reliance carefully in a way which is not forced or artificial, or which puts them in a position of full responsibility before they are prepared to accept it. This situation has become very clear to him during earlier visits to Africa, where it was obvious that some of the countries were placed on

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their own too rapidly and that as a result unnecessary turbulence and instability resulted. While these countries would and should ultimately have full self-determination, it is essential that the timing not cast the bird from the nest before it can fly.

During his visits to Indonesia, the President continued, it was apparent that the Dutch had left a mark of progress and contribution to Indonesian culture that was evident in many areas. He asked the Prime Minister about current Dutch relationships with Indonesia.

The Prime Minister replied that relationships were extremely cordial at this point, having progressed from a point of near open warfare earlier. Now relationships were warm and cordial, and that the visit of the Queen to Indonesia last year had been highly successful.

<u>President Nixon</u> emphasized the importance of Indonesia and its great potential, both in terms of population and natural resources. He urged the Prime Minister to take the opportunity to visit Indonesia should the occasion present itself, since he was confident that such a visit would be welcomed by the Indonesians.

The Prime Minister stated that he agreed completely with the President's assessment of both Indonesia and the need to maintain close ties with former colonies in a way which would insure stability and sound growth. With respect to Dutch Caribbean holdings, there were many forces at work which sought a precipitate disengagement, but he was convinced that the Netherlands had to continue to exercise influence especially in the areas of security where the peoples involved could not bear the burden or shoulder this kind of responsibility.

President Nixon stated that the United States was very grateful to the Prime Minister and to the Dutch people for their steadfast support for matters of mutual interest to western unity and strength. He was especially pleased that the Dutch had been so helpful with respect to their own defense contribution; the attitude of all the NATO allies had been helpful on this important subject.

The Prime Minister noted that the United States defense budget would be increased this year, and that this action would also assist the European powers to continue to allocate their own resources to security needs. Both men agreed that the current environment made it very difficult for political leaders to make the hard decisions necessary to insure that security needs were met.

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President Nixon stated that in a strategic sense he believed the strength of Europe was a bedrock foundation for worldwide stability. He noted that there were five major powers which were crucial to the evolution of world affairs. These included Europe, the Soviet Union, the People's Republic of China, the United States and Japan. Other areas were important but these five constituted the most important entities. In this respect, western freedom was most carefully linked to cooperation and unity between Europe, United States, and Japan.

The Prime Minister expressed agreement with this analysis. He pointed out that it was important that Europe not become an inward-looking, self-serving entity but rather continued to look outward. In the context of the Common Market and its future development, he noted that its political strength and cooperation were perhaps the central issues; economic considerations should not totally dominate and contribute to an inward-looking evolution.

President Nixon then explained the nature and objectives of his visit to Peking. He emphasized that the visits to Peking and Moscow were distinctly different in character. In the first instance, we had remained totally isolated from Peking for a quarter of a century. He had concluded that as China would soon be a first-rate nuclear power, it was essential that the United States find a means to communicate with the Government of the People's Republic of China. This, in essence, is what the Peking visit is about. It is being undertaken without any flavor of naiveté, for certainly the differences which divide the People's Republic of China and its system from the United States are wide and cannot be bridged through the atmospherics of a Head of State meeting. There were some misinformed people who have concluded as a result of the announcement of the visit that now all the differences would be resolved, or, in some cases, had concluded that there were no real differences in the first instance. This is inconsistent with the realities of the situation and does not represent the United States view on the matter.

On the other hand, as China's great potential continues in the maturing process, and especially as China's nuclear capabilities -- which are already considerable -- are fully realized, then it is essential to establish communication. It is probable that diplomatic relations will not result from the Peking visit for the United States still has relations with Taiwan and his commitments which it will keep. On the other hand, there should be some provisions arrived at for continuous communication as a result of the visit. This accomplishment would in itself justify taking this first step. In fact, failure to do so would be most irresponsible.

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The visit to Moscow, on the other hand, would be highly substantive. The United States has had relations with the Soviet Union over an extended period. Both sides know each other well, and therefore discussions with the Soviet leaders will be more detailed and touch upon subjects which have a long history of common exchange. In Moscow, however, the discussions will not be conducted on topics which involve the vital interests of friends. Certainly the United States cannot consider negotiations with the Soviet Union in which the interests of long-standing allies are placed in jeopardy. For example, discussions on SALT will be carried out in full consultation with our European allies and in no instance would the United States consider bargaining with those assets which are related to European security.

The same, of course, would apply to Mutual Balanced Force Reductions, which must be conducted in the context of a community of interest and in a coordinated fashion with the western power's concerned. Thus, in no instance would the United States negotiate in Moscow on European interests without full consultation with its allies.

The Prime Minister asked about the United States attitude with respect to European security.

<u>President Nixon</u> stated that we are of course willing to discuss the subject. On the other hand, great caution must be exercised, and certainly it is essential that all of the allies know precisely what would result from such a conference before entering into one.

The Prime Minister agreed, stating that an obvious Soviet objective in pushing for a conference would be to loosen Europe's ties with the United States.

President Nixon agreed, adding that to the Soviets the European security conference might well substitute for the NATO Pact which the Soviets would like to portray as outmoded and unnecessary. The United States considers that the conference cannot become a substitute for allied security arrangements or for NATO. This is also a fundamental aspect of improved East-West trade and economic arrangements, the President continued. They can never be undertaken in a way which would dilute the unity of the European Economic Community or, more importantly, the Atlantic partnership.

The Prime Minister agreed that caution has to be the keynote on the European security conference. He asked President Nixon what he thought about the relationship between MBFR and the security conference.

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President Nixon stated that here again the United States would urge great caution. Thus far, the security conference itself was being described in terms of cultural, political and economic issues. MBFR, on the other hand, involved vital issues of military security and thus far the United States has been unable to find any specific formula for mutual force reductions which would not result in some derogation of the overall security of the Western Alliance. Thus, in his view, it was essential that the allies sort out very carefully how they wish to proceed on MBFR and arrive at a firm consensus on direction before positively linking MBFR and the security conference. Concurrently, a thorough review and consultation had to take place with respect to the objectives of the European security conference itself. Here again, it would be most injudicious to enter into a conference until all the allies were in full agreement on the direction in which they want to proceed, until each had carefully assessed the impact of this direction on their own and on the overall security interests of the allies. /

The Prime Minister stated that he had been with Secretary Rogers at a dinner with Ambassador Van Lynden the previous evening. All had watched the President's television address on Vietnam. He complimented President Nixon warmly on the address, which he felt would be a major contribution to European understanding of United States policies and objectives. He was confident that the speech could not help but garner increased support for United States policies in Southeast Asia, especially the United States initiative on proposed political arrangements for a new election. The Prime Minister stated that, as he interpreted the speech, it meant that the President was holding firm on the essential issues and that in no instance would the United States consider turning over the Government of South Vietnam to Hanoi.

<u>President Nixon</u> endorsed this interpretation. He stated that it is essential that Hanoi recognize that a military victory in South Vietnam is no longer in the cards. Only with such a recognition would they be willing to negotiate in a give-and-take fashion which would result in an acceptable solution.

The meeting adjourned at 12:02 p.m.

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THE WHITE HOUSE

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INFORMATION

January 25, 1972

MEMORANDUM FOR THE PRESIDENT

FROM:

State Dept. review completed

Henry A. Kissinger

SUBJECT:

Meeting with Prime Minister Biesheuvel

Wednesday, January 26, 1972

11:00 - 11:45 a.m.

Oval Office

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I. PURPOSE

NOTE: This visit is being kept low-key by us and the Prime Minister's call on you is being played as incidental to his return home from the Antilles. We have not billed it as part of your Western summits because to do so would arouse resentment among other NATO allies not included, notably the Italians whose proposed visit here has had to be postponed.

There are no specific agreements intended to come out of your meeting with the Netherlands Prime Minister Barend Willem Biesheuvel (BEE shoevel). He has sought this appointment because, like most of his predecessors, he considers it important for the Dutch Prime Minister to have a personal relationship with the leader of the Free World.

Biesheuvel is particularly eager to be included in the round of summit meetings taking place prior to the Peking and Moscow trips. (See above NOTE.) He will wish to receive your views on these trips. He is also looking forward to discussing with you the major facets of US-European relations. He has just completed a visit to the Netherlands Antilles and Surinam; he is carefully working toward independence for these Dutch possessions; and he will wish to discuss the Netherlands' approach to this issue.

Your meeting with Biesheuvel will give a strong boost to US-Dutch relations. You will have the opportunity to assure the Prime Minister that the United States deeply appreciates the understanding and cooperation we have had from the Dutch -- a close NATO ally - and that you look forward to working closely with him on future issues of

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mutual interest. Your meeting with Biesheuvel should bolster his position domestically at a time when his government is experiencing a decline in public confidence because of its apparent inability to deal with increasingly troublesome economic problems.

You should emphasize that:

- -- The United States reaffirms its support for the continued progress of the European Communities; at the same time, the US looks to the Dutch to assist in resolving US-EC trade issues.
- -- Now more than ever before, when there may be some chance for better relations with the USSR, it is essential that the Allies harmonize their individual approaches within a common framework. In your negotiations with the USSR, you will not be willing to settle for vague assurances or a good climate devoid of substance.
- -- During your visit to Moscow, you will not negotiate on European interests without consulting with the Allies.

You may wish to ask the Prime Minister to review the results of his visit to Surinam and the Netherlands Antilles and to review the situation in the Caribbean as seen by the Dutch.

II. BACKGROUND, PARTICIPANTS, PRESS PLAN

A. Background: Biesheuvel comes to Washington for the first time time as Dutch Prime Minister at the peak of a political career that began 16 years ago. This will be your first meeting with him. He has been a strong supporter of US foreign policy and of close and effective relations between his country and the United States.

Domestically, after six months of leading a five-party coalition, Biesheuvel is running into rough weather. Unemployment is at a record high; the rate of inflation last year was the highest in twenty years, and labor-management negotiations on new wage rates have reached an impasse and the Government is coming under increasing criticism for its failure to intervene. Biesheuvel's Achilles heel is that his own Anti-Revolutionary Party has only 13 of 150 seats in the Second Chamber and there are divisive strains within the major coalition party.

Nevertheless, Biesheuvel has several major assets, including his own political talents and strength of character. Biesheuvel feels strongly that the odds favor the survival of his government until at least 1973. However, he does not expect a final solution to Dutch domestic problems until US/EC economic and monetary relations have found a sounder footing. Biesheuvel feels the need for an improved structure for US/EC dialogue on subjects that cut across functional lines, such as monetary issues, trade matters and burden-sharing.

The Prime Minister strongly supports both the United Nations and NATO and believes that full coordination of European foreign policy should be a goal of the European Community. He opposes a Western European nuclear force independent of the United States and supports efforts to coordinate the British and French nuclear forces with NATO. He favors a Conference of Security and Cooperation in Europe (CSCE) in principle; however, the Dutch, like the United States, take a cautious approach to CSCE.

Biesheuvel, who is fluent in English, is a self-professed "great friend of America;" he generally understands US policy and has been frank in his negotiations with American officials. He will appreciate a briefing on your forthcoming Peking trip. The Dutch have had diplomatic relations with the PRC at the chargé level since 1950. At present, there are no major issues in their bilateral relations. He will appreciate a similar briefing on your May trip to Moscow.

Biesheuvel has just concluded visits to Surinam and the Netherlands Antilles. He will probably wish to discuss these visits, particularly in light of the mutual interests of the Dutch and US in maintaining stability in the Caribbean region.

- B. Participants: You will meet privately with the Prime Minister. General Haig will sit in on the meeting.
- C. Press Plan: The visit has been announced, and there will be a photo opportunity. In keeping with the low-key character of the Prime Minister's courtesy visit, Ron Ziegler will make a brief statement after your meeting.

III. ACTION SEQUENCE

The normal routine for an Oval Office visit will be followed. You will receive the Prime Minister at 11:00 a.m.; 45 minutes have been scheduled for the meeting.

The Prime Minister and Mrs. Biesheuvel will have arrived in Washington from the Caribbean on Tuesday afternoon, January 25. They will be guests of honor at a dinner at the Dutch Ambassador's residence that evening. Following his meeting with you on Wednesday morning, the Prime Minister will go to the State Department for talks with Secretary Rogers and for a luncheon in his honor. The Prime Minister and Mrs. Biesheuvel will then go to New York and depart for The Netherlands

IV. YOUR BASIC TALKING POINTS

on Wednesday evening.

-- A note of appreciation - Since US-Sudanese relations were broken after the June 1967 war, the Dutch Embassy in Khartoum has been host to an American-staffed US Interests Section, and you may wish to express US appreciation for the cooperation and assistance the Dutch Embassy has given our mission.

EC Englargement and US/EC Trade Negotiations

- -- We have always supported European unity; we appreciate the constructive role the Netherlands has played in enlargement of the European Community. The entry of Great Britain, Ireland, Denmark and Norway to the EC is a step forward and you should congratulate Biesheuvel on this great achievement for Europe and on the Dutch contributions to the success of the negotiations.
- -- You should emphasize the importance of successful conclusion of the US/EC trade negotiations, to supplement the December monetary agreement. We have, for example, requested the EC not to increase support prices for corn, to lessen discrimination against US citrus exports and to avoid harming our tobacco exports. Thus far we have had little success, and you should impress on Biesheuvel the political importance of obtaining a good trade package from the EC to facilitate passage of gold price legislation.
- -- With regard to future US/EC relations, you may wish to reassure Biesheuvel that our support for European unity and the strengthening and enlargement of the EC remains firm, and to note that the US is prepared to consider sympathetically any EC proposal for strengthening the consultative procedure between the US and EC.

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Soviet Relations and the Moscow Visit

- -- You are working for genuine detents with the USSR, detente based on substance.
- -- There are elements in Soviet conduct that suggest they may want a better relationship with the US (and with Europe), but there are also aspects of their policies -- especially outside of Europe -- that are sobering.
- -- There is still the dangerous tendency in Moscow to seek a marginal advantage even though this sort of policy cannot help but jeopardize any longer term relationship.
- -- What concerns you now is that having achieved some solid results, as in the Berlin agreements, we not allow the Soviets to begin playing the Allies off against each other.
- -- There are some tactical differences in the Alliance -- on such issues as the timing of a European Conference, or the precise approaches to negotiating troop reductions; these are of no great consequence unless we allow the Soviets to enlarge on our small differences and inflate them into major issues.
- -- On European Security, you believe a Conference with the Warsaw Pact must be deferred, while the West concentrates on its own preparations. The Conference must not become a substitute security arrangement for NATO, which is what the Soviets want.
- -- Similarly, improved East-West trade and economic arrangements must not dilute the unity of the EEC, or our Atlantic partnership.
- -- On negotiated troop reductions, we rule out any bilateral bargain with the USSR; any agreement must come through Allied consensus.

NATO Force Levels

-- You may wish to compliment Prime Minister Biesheuvel on the Dutch defense performance, and the active role that the Dutch have played within the EUROGROUP to secure the European Defense Improvement Program.

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- -- The United States attaches particular importance to the EUROGROUP as a primary forum through which the European Allies can coordinate and publicize their efforts to assume a more equitable share of Alliance defense.
- -- You may wish to express US concern that certain Allies (Denmark and, perhaps, Norway) may be planning to reduce their defense effort, and you may wish to suggest that the EUROGROUP might wish to monitor this.

The Peking Visit

- -- Your visit to the People's Republic of China will differ in its objectives and contents from that to Moscow; after 25 years of no communications we must first establish the philosophical framework for relations with China; this will take time; more specific matters can follow later when the framework is set.
- -- You did not embark on your China policy to harm Soviet interests although the effect of recent Soviet actions in South Asia could produce such a result; these Soviet actions were in part intended to humiliate China.
- -- Your basic point, which you believe is shared by the Prime Minister, is that China will be a major international actor in the years ahead; therefore, we must have communication and normal relations with it; this will also help China to resist Soviet pressures.

Independence of Surinam and Netherlands Antilles

Biesheuvel will wish to describe his visit to these parts of the Kingdom and discuss the growing impetus in the Netherlands for a revision of the Realm Statute which would give them independence or dominion status. There is little enthusiasm for independence in Paramaribo, and even less in the Antilles. A Realm Committee is being established to study the question but its recommendations are not expected until 1973 or later. There is substantial US investment in Surinam bauxite and oil refining in the Antilles. He will probably state that after independence, the Dutch will not neglect their responsibility for economic stability and development assistance, but will be less involved in defense and internal security matters.

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- -- You may wish to say that the United States shares the concern of the Dutch Government that premature independence of the Netherlands Antilles and Surinam might contribute to the destabilization of the Caribbean area.
- -- You may wish to inform Biesheuvel that the US strongly favors, as a stabilizing influence, the prolongation of the present Dutch relationship in all its essential aspects.

Southeast Asia

Prime Minister Biesheuvel may wish to discuss the Dutch role in Indochina and receive your review of US policy in Southeast Asia. Aside from Indonesia, the Dutch have a very limited interest and role in Southeast Asia. They chair the Intergovernmental Group on Indonesia (IGGI) and this year increased their pledge 10% in guilders to US \$42 million.

-- You may wish to express appreciation for Dutch leadership in the Intergovernmental Group, an excellent example of multilateralism which fully accords with the spirit of the Nixon Doctrine.

Japan.

The Prime Minister may be interested in your appraisal of US policy toward Japan and your perception of the future Japanese role in East Asia.

- -- You may wish to review the results of your meeting with Prime Minister Sato.
- -- If Biesheuvel should raise the question of growing Japanese competition in Europe, you may wish to point out that the US market is still far more open to Japanese goods than the European market.

 And, you may wish to stress the importance of Europeans liberalizing their restrictions against Japan.

A memorandum and talking points from Secretary Rogers are at Tab A.

In the attached briefing book, there are background papers on the EC preferential agreements and agricultural issues with the European Communities, biographic sketches, a map of Dutch possessions in the Caribbean, and a schedule.

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